

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
61st LEGISLATURE - REGULAR SESSION**

COMMITTEE ON TAXATION

Call to Order: Chairman Bob Lake, on January 28, 2009 at 8:00
A.M., in Room 152 Capitol.

ROLL CALL

Members Present:

Rep. Bob Lake, Chairman (R)
Rep. Jill Cohenour, Vice Chairman (D)
Rep. Janna Taylor, Vice Chairman (R)
Rep. Dick Barrett (D)
Rep. Mark Blasdel (R)
Rep. Edward B. Butcher (R)
Rep. Wanda Grinde (D)
Rep. Robin Hamilton (D)
Rep. Brian Hoven (R)
Rep. Mike Jopek (D)
Rep. Mike Miller (R)
Rep. Art Noonan (D)
Rep. JP Pomnichowski (D)
Rep. Lee Randall (R)
Rep. J. David Roundstone (D)
Rep. Jon Sonju (R)
Rep. Wayne Stahl (R)
Rep. Chas Vincent (R)
Rep. Brady Wiseman (D)

Members Excused: Rep. Dave McAlpin (D)

Members Absent: None

Staff Present: Jeff Martin, Legislative Branch
Jennifer O'Loughlin, Committee Secretary

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: SB 11, 1/23/2009; SB 23, 1/23/2009;
SB 43, 1/23/2009; HJR 2, 1/23/2009

Executive Action: SB 11; SB 43

HEARING ON SB 43

Opening Statement by Sponsor:

00:02:10 Sen. Christine Kaufmann (D), SD 41, opened the hearing
on SB 43, Revise list of countries considered tax
haven.

Proponents' Testimony:

00:06:07 Don Hoffman, Montana Taxpayers Association
00:06:35 Holly Franz, Montana Society of CPAs

Opponents' Testimony:

00:07:29 Lee Baerlocher, Department of Revenue (DOR)

Informational Testimony: None

Questions from Committee Members and Responses:

00:07:55 Rep. Miller
00:08:11 Rep. Kaufmann

Closing by Sponsor:

00:08:43 Rep. Kaufmann
00:09:32 Chairman Lake closed the hearing.
00:10:00 Reps. Butcher, Taylor, and Jopek left the room.

EXECUTIVE ACTION ON SB 43

Motion: Rep. Sonju moved that **SB 43 BE CONCURRED IN.**

Discussion:

00:10:27 Rep. Wiseman
00:11:49 Rep. Miller

00:12:01 Rep. Cohenour
00:12:48 Chairman Lake
00:13:31 Rep. Barrett
00:13:55 Jeff Martin
00:14:55 Chairman Lake

00:15:04 Rep. Lake called the question on SB 43.

00:15:09 **Vote:** Motion carried unanimously by voice vote. Reps.
Butcher, Jopek, McAlpin and Taylor voted by proxy

00:15:44 Rep. Wiseman will carry SB 43.

00:16:00 Rep. Butcher entered the room.

HEARING ON SB 23

Opening Statement by Sponsor:

00:16:47 Sen. David Wanzenried (D), SD 49, opened the hearing on
SB 23, Revise revenue streams to oil, gas, and coal
natural resource account.

Proponents' Testimony:

00:19:52 Dave Cole, Administrator, Community Development
Division, Department of Commerce
00:20:48 Allan Peura, Deputy Director, (DOR)

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

00:22:07 Rep. Stahl
00:22:24 Sen. Wanzenried
00:22:49 Rep. Stahl
00:22:54 Sen. Wanzenried
00:23:15 Rep. Wiseman
00:23:51 Sen. Wanzenried
00:24:23 Rep. Wiseman
00:25:07 Sen. Wanzenried

Closing by Sponsor:

00:25:42 Sen. Wanzenried

00:25:55 Chairman Lake closed the hearing.

00:26:58 Break

00:48:38 Reconvene

HEARING ON SB 11

Opening Statement by Sponsor:

00:49:01 Sen. Jim Peterson (R), SD 15, opened the hearing on SB 11, Clarify nontaxable amount of gross value of product -metal mines tax.

00:53:35 Rep. Taylor entered the room.

Proponents' Testimony:

00:54:19 Harold Blattie, Executive Director, Montana Association of Counties

Opponents' Testimony: None

Informational Testimony: None

00:55:18 Lee Baerlocher, (DOR)

Questions from Committee Members and Responses:

00:55:36 Rep. Hoven

00:55:58 Lee Baerlocher

00:56:10 Rep. Hoven

00:56:27 Lee Baerlocher

00:56:45 Chairman Lake

00:56:52 Rep. Hoven

Closing by Sponsor:

00:57:13 Sen. Peterson

00:58:45 Chairman Lake closed the hearing.

EXECUTIVE ACTION ON SB 11

00:59:05 **Motion:** Rep. Cohenour moved that **SB 11 BE CONCURRED IN.**

00:59:13 **Motion:** Rep. **Stahl CALLED THE QUESTION ON SB 11.**

00:59:26 **Vote:** Motion carried unanimously by voice vote. Reps. Jopek and McAlpin voted by proxy.

00:59:47 Chairman Lake will carry SB 11.

00:59:48 Rep. Jopek entered the room.

HEARING ON HJR 2

Opening Statement by Sponsor:

01:00:24 Rep. Mike Jopek (D), HD 4, opened the hearing on HJR 2, Revenue estimating resolution.

Proponents' Testimony: None

Opponents' Testimony:

01:13:21 David Ewer, Budget Director, Governor's Office

01:19:48 Marco Ferro, MEA-MFT

Informational Testimony:

01:20:49 Terry Johnson, Principal Legislative Fiscal Analyst

[EXHIBIT\(tah20a01\)](#)

[EXHIBIT\(tah20a02\)](#)

Questions from Committee Members and Responses:

02:08:05 Rep. Barrett

02:08:57 Mr. Johnson

02:11:36 Rep. Sonju

02:11:51 Mr. Johnson

02:12:23 Rep. Sonju

02:12:34 Mr. Johnson

02:12:38 Rep. Sonju

02:12:57 Mr. Johnson

02:13:39 Rep. Sonju

02:13:46 Mr. Johnson
02:14:01 Rep. Sonju
02:15:05 Mr. Johnson
02:16:36 Rep. Sonju
02:16:52 Mr. Johnson
02:17:26 Rep. Sonju
02:17:48 Mr. Johnson
02:17:58 Rep. Sonju
02:18:06 Mr. Johnson
02:18:58 Rep. Cohenour
02:19:20 Mr. Johnson
02:20:20 Rep. Cohenour
02:20:30 Mr. Johnson
02:20:58 Rep. Cohenour
02:21:54 Mr. Johnson
02:23:38 Rep. Cohenour
02:24:07 Mr. Johnson
02:26:37 Rep. Cohenour
02:27:21 Mr. Ewer
02:30:21 Rep. Cohenour
02:30:51 Mr. Ewer
02:31:10 Rep. Butcher
02:31:43 Mr. Johnson
02:32:03 Rep. Butcher
02:33:14 Mr. Johnson
02:33:57 Chairman Lake
02:34:30 Rep. Butcher
02:34:38 Chairman Lake
02:34:44 Rep. Noonan
02:36:15 Mr. Johnson
02:38:01 Rep. Noonan
02:39:01 Mr. Johnson
02:40:35 Rep. Wiseman
02:41:49 Mr. Johnson
02:42:50 Rep. Hoven
02:43:40 Mr. Johnson
02:45:27 Rep. Barrett
02:45:56 Rep. Butcher
02:46:52 Mr. Johnson
02:47:28 Chairman Lake
02:47:34 Rep. Stahl
02:48:33 Mr. Johnson
02:48:52 Mr. Martin
02:49:09 Rep. Stahl
02:49:33 Mr. Johnson
02:49:56 Chairman Lake
02:50:14 Rep. Stahl
02:51:33 Mr. Johnson
02:52:37 Rep. Stahl
02:52:54 Mr. Johnson

02:53:13 Chairman Lake
02:53:30 Mr. Johnson
02:55:16 Chairman Lake
02:55:30 Mr. Johnson
02:55:56 Rep. Stahl
02:56:35 Mr. Ewer
02:58:00 Rep. Noonan
02:59:01 Rep. Jopek
03:01:47 Chairman Lake
03:02:35 Rep. Noonan
03:03:14 Chairman Lake

Closing by Sponsor:

03:03:34 Rep. Jopek
03:07:02 Chairman Lake closed the hearing.
03:07:10 Chairman Lake explained how committee action would
proceed on HJR 2.
03:08:12 Rep. Cohenour recommended postponing executive action
until receiving additional Montana-specific
information.
03:09:07 Rep. Stahl
03:10:00 Chairman Lake
03:11:48 Rep. Cohenour
03:12:45 Chairman Lake
03:13:36 Mr. Martin asked for amendments and listed bills that
already have amendments.
03:14:58 Chairman Lake
03:15:21 Rep. Cohenour

ADJOURNMENT

03:15:56 Adjournment: 11:18 A.M.

Jennifer O'Loughlin, Secretary

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Additional Exhibits

Additional Documents:

EXHIBIT ([tah20aad.pdf](#))